

FINAL BILL REPORT

SHB 2361

C 571 L 09
Synopsis as Enacted

Brief Description: Modifying state payments for in-home care.

Sponsors: House Committee on Ways & Means (originally sponsored by Representative Cody).

House Committee on Ways & Means
Senate Committee on Ways & Means

Background:

Various programs in the Department of Social and Health Services' (DSHS) Aging and Adult Services and Developmental Disabilities divisions provide personal care services to elderly or disabled clients who are eligible for publicly funded services. These services may be provided in the client's home by individual providers who contract directly with the DSHS or by agency providers who are employees of a licensed home care agency. This paid provider may be a relative or a household member, although the client's spouse may not be a paid provider under most programs. Personal care services include assistance with various tasks such as toileting, bathing, dressing, ambulating, meal preparation, and household chores.

A plan of care is developed for each client to determine the services allowed. The client may choose whether to obtain services through an individual provider or an agency provider, but federal law requires the benefits to be the same in amount, duration, and scope under either service option.

Individual providers who contract with the DSHS are compensated at rates established through collective bargaining and funded in the state's operating budget. Agency providers are paid by their employers who are reimbursed by DSHS based on a vendor rate that provides parity with the compensation established for individual providers. By statute the DSHS must, in determining the agency vendor rate, use a formula that accounts for:

- wages and fringe benefits;
- payroll taxes;
- mileage;
- any contributions that the state pays to the Training Partnership (a program to provide training for individual providers); and
- average increases in workers' compensation costs.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In addition, contributions for health care benefits are paid at the same rate as for individual providers.

The Home Care Quality Authority (HCQA) was created in 2002 to provide oversight of in-home care services and to improve and stabilize the workforce. The Joint Legislative Audit and Review Committee is required to conduct two performance reviews of the HCQA. The first report, No. 07-2, concluded that the cost of providing services through agency providers was \$5 per hour higher than providing the services through independent providers.

Summary:

The DSHS is prohibited from paying a licensed home care agency for in-home personal care or respite services if the care is provided to a client by the client's family member. The prohibition does not apply if the family member is older than the client. The DSHS may make exceptions to this prohibition on a case-by-case basis based on the client's health and safety. Beginning July 1, 2010, the DSHS must not pay a home care agency for in-home care services if the agency does not verify agency employee hours by electronic time keeping.

The DSHS must adopt rules to implement this prohibition, but the rules may not affect the amount, duration, or scope of benefits to which a client may be entitled under state or federal law. The DSHS may take enforcement action against a home care agency that charges the state for hours for which the DSHS is not authorized to pay. Enforcement action may include recoupment of payments and termination of the agency's contract for violating a recoupment requirement.

"Family member" includes parent, child, sibling, aunt, uncle, cousin, grandparent, grandchild, grandniece, or grandnephew.

Notes on Final Passage:

House	90	8	
Senate	29	20	(Senate amended)
House			(House refuses to concur)
Senate			(Senate insists on position)
House	94	2	(House concurred)

Effective: May 19, 2009